



CARBON CAPTURE COALITION

2025 Policy Blueprint -- Draft Outline

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Updated Membership List (1 page)

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About the Carbon Capture Coalition (2 pages)

Current Blueprint Framing (Please note Coalition staff is working on updating the framing for the about us, mission, and vision sections.)

- **About Us**

- The Carbon Capture Coalition is a nonpartisan collaboration of more than 100 companies, unions, and conservation and environmental policy organizations building federal policy support to enable economywide, commercial-scale deployment of carbon management technologies. Coalition members recognize that economywide adoption of carbon management technologies is critical to achieving net zero emissions to meeting midcentury climate goals, strengthening and decarbonizing domestic energy, industrial production and manufacturing, and retaining and expanding a high-wage jobs base. Successful commercial deployment of these technologies requires prioritizing meaningful engagement and consultation with local communities as well as associated education and workforce development.

- **Current Mission**

- The Coalition's mission is to advance federal policies and actions that will accelerate commercial deployment of the full suite of carbon management technologies. Successful commercial deployment requires prioritizing meaningful engagement and consultation with local communities as well as associated workforce development. Broadly, carbon management encompasses but is not limited to:
 - Technologies that capture and manage carbon dioxide (CO₂), carbon monoxide (CO), and co-pollutants from power plants and industrial facilities;
 - Carbon removal technologies, including direct air capture, biomass with carbon removal and storage capabilities, and other advanced technologies that remove CO₂ already in the atmosphere;

- Transport infrastructure to carry CO₂ from where it is captured to where it can be geologically stored or put to beneficial use;
 - Reuse of captured CO₂ and CO to produce low- and zero-carbon products; and
 - Safe and permanent storage of CO₂, particularly in appropriate geologic reservoirs.
- **Current Vision**
 - The Coalition's strategic vision for future policy action is to:
 - Ensure that the existing supportive policy ecosystem for carbon management is properly implemented at the federal level;
 - Create market-based mechanisms for products and services sourced from carbon management, especially products derived from carbon utilization;
 - Ensure benefits from the deployment of carbon capture projects flow to affected communities and workers;
 - Enable the scaling of appropriate CO₂ transport and storage systems through swift and coordinated federal action, especially on pipelines;
 - Provide resources for the next generation of federal research, development, deployment and demonstration activities, to enable the carbon management industry and strengthen the available portfolio of tax credits to ensure investment certainty and business model flexibility, as intended by Congress.

Carbon Management as an Essential Suite of Climate Technologies

- **Status of Carbon capture, utilization, transport and storage deployment**
 - At a high level, explain how the technology works
 - Deployment costs across sectors
 - Carbon management technologies are one of many tools needed to decarbonize domestic energy, industry, and manufacturing sectors
 - Carbon removal is necessary to remove legacy emissions from the atmosphere
- **Carbon management technologies as safe, available technologies**
 - Safety record of carbon storage & pipelines
 - Strong regulatory regime at EPA & reporting requirements at IRS to elect 45Q
- **Current US policy & regulatory landscape**
 - Thanks to Coalition efforts, the United States enjoys the most advanced policy framework for carbon management deployment in the world
 - Existing laws and regulations provide a strong foundation to launch the industry toward commercial deployment
 - Bipartisan-supported investments have created unprecedented interest in these technologies

- Announced projects under development
- State of carbon management hub system
- Class VI injection well permits and state primacy applications status
- Need for continued progress on BIL/IRA implementation

Principles for Equitable, Responsible Deployment of Carbon Management Technologies

It is critical that project proponents, governments, and stakeholders work together to ensure that benefits associated with project deployment flow to the communities that host these diverse projects and the workers with a broad range of skill sets that build them. This includes, but is not limited to the following principles:

- **Community Engagement:** Project proponents must promote transparency and open dialogue by actively involving local communities, Tribal Nations, and stakeholders early in the decision-making process and incorporating community input early in the project development process.
- **Jobs & Economic Development:** Place carbon management technologies at the heart of a national strategy for job creation and retention, workforce development and training, and economic renewal to ensure that project deployment supports workers with a broad range of skill sets.

Existing Domestic Framework for Carbon Management Deployment

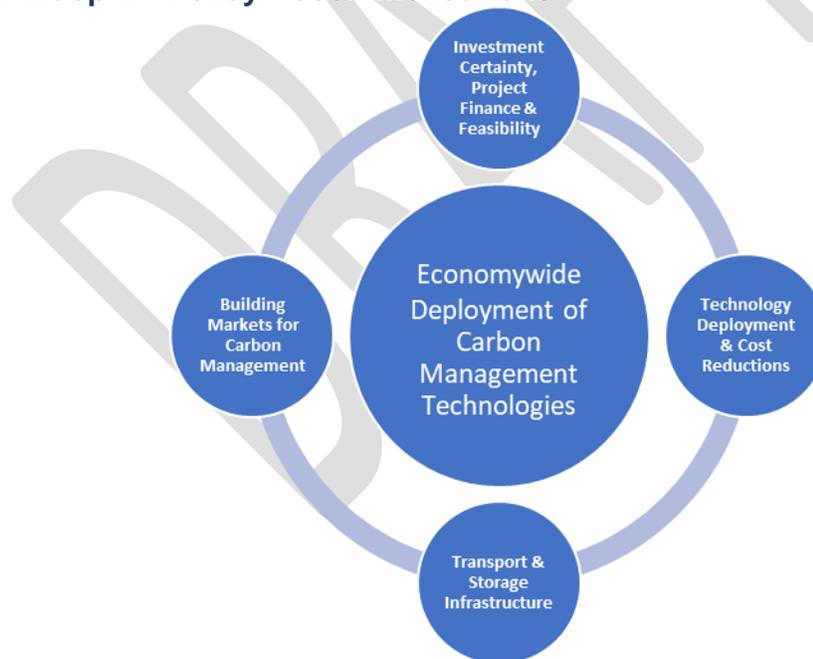
- **Current US Policy & Regulatory Landscape**
 - Thanks to Coalition efforts, the United States enjoys the most advanced policy framework for carbon management deployment in the world.
 - Existing laws and regulations provide a strong foundation to launch the industry towards commercial deployment and support clean, competitive domestic manufacturing, industry, and energy production.
 - Bipartisan-supported investments have created unprecedented interest in these technologies.
 - Announced projects under development
 - State of carbon management hub system
 - Class VI injection well permits and state primacy application status
 - Need for continued progress on BIL/IRA implementation

The 119th Congress – An Opportunity to Cement US Leadership

- Historic, bipartisan support for carbon management technologies has provided the most advanced policy framework for carbon management deployment in the world.
- The US risks being left behind as other regions of the world look to bolster their clean industry, manufacturing, and energy sectors through robust policy support of carbon management technologies.

- The rising costs of deploying carbon management technologies domestically, combined with significant challenges in permitting projects, incomplete implementation of the available policy framework, and lack of markets for products and services sourced from carbon management, means the US could be forced to relinquish our global leadership in demonstrating and deploying these climate-essential technologies.
- The 119th Congress must reinforce the role the US must play in leading the effort toward economywide deployment of carbon management technologies, bolster our economic competitiveness, and ensure that these technologies are part of the national climate strategy by:
 - Strengthening the available portfolio of tax credits to ensure investment certainty and business model flexibility, as intended by Congress
 - Creating demand-side policies for products and services sourced from carbon management
 - Enabling the development of appropriate transport and storage of CO₂ by swift and coordinated federal action
 - Providing resources for the next generation of federal research, development, deployment, and demonstration activities to enable the carbon management sector

2025 Federal Blueprint Policy Recommendations



Policy Levers Necessary to Secure Carbon Management's Role in a National Climate and Energy Strategy

- **Ensuring Investment Certainty**
 - **Inflation:** To prevent further reduction of the credit value, 45Q should be adjusted for inflation beginning immediately, using 2021 as the base index year for the dollar figure

- **CCU Parity:** Enact the Coalition-endorsed [CCU Parity Act](#) (S.542/H.R.1262), which would make further adjustments to 45Q to provide parity between geologic storage credit values and carbon reuse
 - **LCA:** Eliminate the current pre-approval requirement in Treas. Reg. § 1.45Q-4(c)(6) and give taxpayers an option to obtain pre-approval of the LCA before claiming section 45Q credits as a risk management tool
 - **Direct Pay:** Ensure the intended impact of the direct pay mechanism by extending the direct pay mechanism to cover the lifetime of the credit for both non-profit and for-profit entities.
 - **Implementation of 45Q:** Catalyze the growth of a diverse carbon management industry through [implementing](#) recent changes to 45Q.
 - So long as eligible facilities are capturing qualified carbon oxides and subsequently meeting MRV standards for carbon storage, or LCA processes for carbon reuse, these technologies should qualify for 45Q. Examples where further clarity is needed include:
 - IRS should clarify when multiple facilities can be aggregated to count as one facility to qualify for the tax credit
 - Allowing for facilities that produce both hydrogen and capture CO₂ to qualify for both 45Q and 45V
 - Biogas flaring facilities that then capture resulting CO₂
- **Demand-Side Policies**
 - **Standard Setting:** Develop a federal role in standardizing the marketplace
 - Develop standards for accounting, monitoring, and verifying carbon sequestration assets
 - Develop Life Cycle Analysis (LCA) best practices for less mature technologies
 - **Procurement:** Support purchasing of innovative carbon management products and services
 - Build on DOE's work to establish pilot purchasing programs for nascent technologies in order to help develop standards and best practices
 - Examples include: DAC hubs, CDR Purchase Pilot Prize, Carbon Utilization Procurement Grant, etc.
- **Transport & Storage Infrastructure**
 - **CO₂ Pipeline Safety Measures:** Support supplemental safety measures for pipelines; recommend Congress reauthorize PHMSA if this has not occurred by the time we are ready to publish the Blueprint
 - Include CCC pipeline safety [recommendations](#)

- **Regulatory framework for storage:** Provide clarity for CO₂ storage projects on federal lands
 - Clarify pore space ownership, land use plans, regulatory authority, and storage on the outer-continental shelf (OCS)
 - • Promulgate CO₂ storage regulations for federal lands
- **Permitting:**
 - Class VI wells
 - Recommend that EPA review and provide a final decision on individual Class VI injection well applications within 18 months of having been deemed 'administratively complete' by the Underground Injection Control Program
 - Predictable timeline needed for certainty of review in order for investors to feel confident about these projects and reach Final Investment Decision (FID)
 - Create an optional federal pathway for the siting and construction of interstate CO₂ pipelines
- **Protect CIFIA funding**
- **Next-Generation Technology Development**
 - **DOE funding priorities:**
 - Continue federal investment and partnership with OCED.
 - Continue to scale federal funding for core carbon management activities.
 - Increased funding for demonstration of industrial carbon capture activities authorized by the 2020 Energy Act
 - Appropriations for relevant carbon management authorizations enacted by the CHIPS and Science Act
 - Further buildout of federal funding and support for earlier-scale carbon dioxide removal technologies
 - Increased federal support for the development of robust monitoring, reporting, and verification protocols for the full suite of carbon management and carbon dioxide removal technology pathways.
 - **LPO:** Congress should allow developers to receive both a federal grant and loan from DOE-administered Loan Program Office
 - **Air quality research for federally-funded projects:** Collect and disseminate information on air and environmental quality
 - Help industry build a standardized approach to collecting and disseminating this information
 - **Community engagement:** Provide technical assistance for community engagement

- **Transparency & information sharing:** Ensure the rapid scale-up of the carbon management industry.
 - DOE should require that project developers use common specifications and generic technology solutions for capture retrofits for federally cost-shared pilots and demonstrations. Public sharing of certain information related to taxpayer-funded demonstration projects does not preclude project developers from making continual improvements to proprietary technologies.

Conclusion (1 page)

Endnotes (? pages)

Glossary (1 page)

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